MONTANA LEGISLATIVE HISTORY

Chapter 44 19 87

Bill H 280 S _____ Original bill & history ____C

H. Committee on Local Government			S. Committee on Local Government		
Hearing Date(s)	Jan 26	✓ C	Hearing Date(s)	Feb 10	✓ C
		____C			____C
		____C			____C
		____C			____C
Date Out	Jan 26	✓ C		Feb 10	✓ C

Did this bill originate in an interim committee? ____Yes ____No

Committee _____ Report _____

2/02	REFERRED TO BUSINESS & INDUSTRY		
3/03	HEARING		
3/04	COMMITTEE REPORT--BILL CONCURRED		
3/06	2ND READING CONCURRED	47	0
3/09	3RD READING CONCURRED	50	0
	RETURNED TO HOUSE		
3/11	SIGNED BY SPEAKER		
3/12	SIGNED BY PRESIDENT		
3/12	TRANSMITTED TO GOVERNOR		
3/17	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 121 EFFECTIVE DATE: 10/01/87		

HB 279 INTRODUCED BY NATHE, ET AL.
EXEMPTING SCHOOL DISTRICT MAINTENANCE FROM BUILDING CODE PROVISIONS

1/19	INTRODUCED		
1/19	REFERRED TO EDUCATION & CULTURAL RESOURCES		
1/28	HEARING		
2/13	TABLED IN COMMITTEE		

HB 280 INTRODUCED BY HANSON, M., ET AL.
INCREASING THE TIME ALLOWED FOR A CITY OR TOWN TO FILE A FINANCIAL STATEMENT

1/19	INTRODUCED		
1/19	REFERRED TO LOCAL GOVERNMENT		
1/26	HEARING		
1/26	COMMITTEE REPORT--BILL PASSED AS AMENDED		
1/28	2ND READING PASSED	98	1
1/29	3RD READING PASSED	92	3
	TRANSMITTED TO SENATE		
1/30	REFERRED TO LOCAL GOVERNMENT		
2/10	HEARING		
2/11	COMMITTEE REPORT--BILL CONCURRED		
2/14	2ND READING CONCURRED	49	0
2/17	3RD READING CONCURRED	50	0
	RETURNED TO HOUSE		
2/19	SIGNED BY SPEAKER		
2/20	SIGNED BY PRESIDENT		
2/20	TRANSMITTED TO GOVERNOR		
2/25	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 44 EFFECTIVE DATE: 10/01/87		

HB 281 INTRODUCED BY SPAETH
PROVIDE RULEMAKING AUTHORITY TO DEPARTMENT OF JUSTICE TO IMPLEMENT TITLE 61, CHAPTER 5
BY REQUEST OF DEPARTMENT OF JUSTICE

1/19	INTRODUCED		
1/19	REFERRED TO HIGHWAYS & TRANSPORTATION		
1/29	HEARING		
1/29	COMMITTEE REPORT--BILL PASSED STATEMENT OF INTENT ADOPTED		
2/02	2ND READING PASSED	92	4
2/03	3RD READING PASSED	97	2
	TRANSMITTED TO SENATE		
2/04	REFERRED TO HIGHWAYS & TRANSPORTATION		

MINUTES OF THE MEETING
LOCAL GOVERNMENT COMMITTEE
50TH LEGISLATIVE SESSION
HOUSE OF REPRESENTATIVES

January 26, 1987

The meeting of the Local Government Committee was called to order by Chairman Norm Wallin on January 26, 1987 at 1:00 p.m. in Room 312-F of the State Capitol.

ROLL CALL: Roll call was taken with all members present. Lee Heiman, Committee Counsel for the Legislative Council was also present.

CONSIDERATION OF HOUSE BILL 280: Rep. Marian Hansen, House District 100--Powder River, Rosebud and Bighorn County, and sponsor of the bill stated it was to increase the time allowed for a city or town to file a financial statement with the Department of Commerce. There were those present who felt the 60 days was not enough time to file their financial reports. The bill states 180 days but they would like to amend that to 120 days. The Department of Commerce stated they would be in support of the 120-day amendment.

PROPONENTS: Alice Kuehn, Town Clerk for Ekalaka and also a member of the Legislative Committee for Clerks, Treasurers, and Finance Officers Association, stated that the annual report is due the end of August. The fiscal year-end is a problem with that time of year. Possibly at another time of year the 60 days would be enough. They have a small staff and at this time of year they are involved in seasonal activities, construction activities through the summer and the budget cycle is in process. The budget is required to be adopted by mid-August and submitted by September to the Department of Commerce, so it is also at this same time as the financial report. She submitted a written statement (Exhibit 1) Ms. Kuehn stated a lot of communities do not meet the present deadline of Ausut 30. It is not a disregard for the deadline but just that there is not enough time. She commented that if they could get the additional 60 days the communities would view that as a reasonable deadline and make more effort to meet it. Extensions are sometimes requested and granted.

Don Hackmann, City Clerk of Laurel and representing Montana Municipal Clerks, Treasurers and Finance Officers Association, stated that June 30 is the end of the fiscal year. They usually hold the books open until the end of

July to pay claims for the fiscal year. He said at the same time this is going on, the budget process is in motion. They have a public hearing on the first Wednesday in August. The final budget should be adopted by August 10 and then sent to the Department of Commerce. The budget document takes 20 to 25 man-hours to complete. The annual financial statement is a lengthy, complex report taking 40 to 50 man-hours to complete and is around 90 pages long.

In doing some research at the Department of Commerce, Mr. Hackmann found that 13 percent of cities and towns complete the report in 60 days and 61 percent complete it in the 120-day period (Exhibit 2).

Alec Hansen, Montana League of Cities and Towns, stated the bill was considered at their convention and was included in the package of resolutions to be recommended to the legislature. He said it is very necessary because existing law does not contribute anything to the economy and efficiency of government. He said their purpose is to change a time schedule that simply doesn't work.

Rep. Leo Giacometto, House District 24, stated that the communities in his area felt the 60 days was not sufficient and hoped the bill would be amended to 120 days for filing the report.

Joe Aldegarie, Public Works Director for Missoula, conveyed the support of the bill by the Missoula City Council.

Brooks Morin, Administrative Officer for Helena, stated they found it extremely difficult to meet the 60-day time requirement because of the books being kept open and urged support for HB 280.

Chairman Wallin requested that Rick Michaelson, City of Scobey, who was unable to attend the hearing be listed as a proponent for HB 280.

OPPONENTS: None.

DISCUSSION (OR QUESTIONS) ON HOUSE BILL 280: Rep. Pistoria asked Alec Hansen if he had talked with Al Johnson about the bill. He said there were only small towns represented.

Mr. Hansen said he did not talk to him individually but it was a resolution passed at their convention and it passed unanimously with no opposition. The City of Great Falls was represented at the convention.

Rep. Pistoria asked if 120 days was really needed and if they could get by with 100 days? He felt the public and, speaking for himself, would like the information sooner.

Alyce Kuehn responded that the expenditures have to be held open for 15 to 30 days in order to get all expenditures that pertain to that fiscal year. She stated as far as filing the annual report, everyone that she knows do have their books closed by the end of August and have balance sheets completed. The report is complex and takes considerable time and effort in putting the funds together. Ekalaka has 27 funds and larger communities have more. Ms. Kuehn said as far as closing the books, balance sheets, and having the funds in balance, that has been completed. It is just compiling that information into the format of the annual report that is not completed.

Rep. Sales was concerned about the length of the report. He asked what is done with the report, how much is required to be published? When was the last time the 92-page document was looked at to see if it could be made easier for smaller towns or do all towns, large or small, use the same form? He asked who uses it? He wondered if there was a way to do without it or at least simplify it.

Ms. Kuehn responded the report is filed with the Department of Commerce. The Department does use the report. In the last two years it has gone from a 48 to a 92-page document. Each community does not use each page. There are so many pages for each type of fund. She said Ekalaka fills out at least 75 percent of the report. The Department withdraws information from the report to use in their report to the federal government on revenue sharing or the types of revenue derived in Montana.

State law requires the cities to be audited every two years. When the auditors come, they use the annual report and and the budget as the two documents to begin the audit process with. If the annual report was not completed, the auditors would go back to the closing worksheets.

Mr. Kuehn stated that when doing her closing worksheets and the annual report it gives her the opportunity to review the year and make decisions and recommendations to take to the council. She said the report is ambiguous and there are a lot of things that could be cut from it but she was not in the position to say what those things are.

Rep. Sales asked if it was required that any part of the document be published?

Ms. Kuehn responded the auditor's comments are published but the annual report is not published for any municipality.

Rep. Sales asked why the report was changed from 46 to 92 pages?

Ms. Kuehn thought the main reason was that cities had the larger report and they changed the towns report so they would have the same. It makes it easier to compare when the reports come into the Department of Commerce.

In closing, Rep. Hansen stated if the cities and towns were not getting the report in on time as was indicated and they felt they could work with the 120-day limit then the bill would allow them the flexibility to meet the deadline.

CONSIDERATION OF HOUSE BILL 311: Rep. Mike Kadas, Missoula, stated HB 311 is a bill to modify the mechanism for amending a street lighting district. He explained his neighborhood has one street lighting district that was set up 15 years ago. When the district was set up the price of electricity was fairly cheap and there was a lot of enthusiasm for the lights. Last year Coal Strip 3 increases and some other things combined, increased rates about 70 to 80 percent. With this increase, the people want to do with less lights. The district is set up with two lights at each intersection and four to five lights in every block. The people want to take out one of the intersection lights. They went to the city council and found in order to make this major modification, the district would have to be dissolved and a new district formed with the appropriate level of lighting. HB 311 uses the same mechanism used to form a district as to modify the district.

The power company asked Rep. Kadas to introduce an amendment (Exhibit 3). On page 3, line 18 following "lights", insert upgrading lights and lighting related facilities in the interest of energy conservation". Rep. Kadas stated the power company wanted to make sure that their existing authority would remain here. The power company is in the process of upgrading all street lights with sodium vapor, a more efficient lighting. He stated he had no problem with the amendment.

PROPONENTS: Joe Aldegarie, City of Missoula, stated the requirement for dissolving a district takes a petition by

Rep. Pistoria asked if there was anyone from the utilities present to clarify things.

Bob Quinn, Montana Power, responded to Rep. Pistoria that it was his amendment that was offered and it was consistent with what they are doing now under the energy conservation program. The old fixtures are being taken out and are being replaced by new high pressure sodium vapor. The purpose of the amendment is to prevent Montana Power from having to go through the creation of a lighting district to change old fixtures with new.

Rep. Kadas in closing, stated he had the same concern expressed by Rep. Ramirez. He was unsatisfied with the protest provisions. However, it would be exactly the same to modify as it would be to set up a new district and felt the bill did give the people a reasonable option.

DISPOSITION OF HOUSE BILL 280: Rep. Sales moved to DO PASS HB 280 and he moved to pass the AMENDMENT to replace 180 days with 120 days.

The question was called and the motion carried unanimously.

Rep. Darko moved to DO PASS HB 280 AS AMENDED. The motion carried unanimously.

DISPOSITION OF HOUSE BILL 311: Rep. Sales moved to AMEND HB 311 with the amendment proposed by Mr. Quinn (Exhibit 3). Rep. Pistoria seconded the motion. The motion to amend carried unanimously.

Rep. Hansen moved to DO PASS HB 311 AS AMENDED.

Rep. Hoffman stated his concern was hearings giving boards power to do things only on having a public hearing. He felt the boards were getting a lot of power to establish law. He said county governments, on budgets, hold hearings and then go ahead and do what ever they want. This law would be fine for handling the situation presented but he stated on only being required to hold a public hearing, a town council could decide to make changes or improvements which would cost more than the original lighting district. He did not feel the hearings were effective.

Rep. Sales commented that possibly Lee Heiman could read the notice sections to Rep. Hoffman to help set his mind

STANDING COMMITTEE REPORT

January 26, 19 87

Mr. Speaker: We, the committee on LOCAL GOVERNMENT

report HB 280

☒ do pass
☐ do not pass

☐ be concurred in
☐ be not concurred in

☒ as amended
☐ statement of intent attached

Rep. Norm Wallin Chairman

1. Page 1, line 12.
   Strike: "180"
   Insert: "120"

FIRST reading copy (WHITE color)

DAILY ROLL CALL

LOCAL GOVERNMENT COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date 1/26/87

NAME	PRESENT	ABSENT	EXCUSED
REP. NORM WALLIN, CHAIRMAN	✓		
REP. RAY BRANDEWIE, VICE CHAIRMAN	✓		
REP. BUDD GOULD	✓		
REP. REP. TIMOTHY WHALEN	✓		
REP. PAULA DARKO	✓		
REP. TOM BULGER	✓		
REP. JAN BROWN	✓		
REP. BOB GILBERT	✓		
REP. LARRY GRINDE	✓		
REP. WALTER SALES	✓		
REP. STELLA JEAN HANSEN	✓		
REP. PAUL PISTORIA	✓		
REP. ROBERT HOFFMAN	✓		
REP. LES KITSELMAN	✓		
REP. JACK RAMIREZ	✓		
REP. DAVE BROWN	✓		
REP. CAROLYN SQUIRES	✓		

DATE 1-26-87
HB 280

WITNESS STATEMENT

NAME Allyce Kuehn BILL NO. 280 (HB)

ADDRESS P.O. Box 241 DATE

WHOM DO YOU REPRESENT? Town of Ekalaka & Clerk Treas & Finance officer Association

SUPPORT ✓ OPPOSE AMEND

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments: This bill has been sponsored on behalf of the Clerk's Association & I'm speaking as a member of their legislative Committee & a Town Clerk of 10 years.

In Ekalaka we have a small staff and the annual report due date, 60 days following the close of the fiscal yr June 30, comes at a very hectic time in the work schedule. The budget cycle is in progress combined with all the seasonal activities & the major, or minor construction that has been scheduled during the summer months.

The Annual report is a long & complex document (92 pages) that requires considerable time & effort. At this time of year Clerks have to be made between job duties & responsibilities and even tho the annual report is due - Something else with the pool, parks, construction or the budget is demanding attention & some things have to be remaining. Have to be put off until tomorrow.

The point is that 60 days at another time of year would probably be enough - However at this time of year many times are additional 60 days is essential.

CS-34

EXHIBIT

DATE 1-26-87

HB 280

WITNESS STATEMENT

NAME Don Hackmann BILL NO. HB28

ADDRESS Havre, MT. DATE 1-26-87

WHOM DO YOU REPRESENT? Montana Municipal Clerk's Treasurer's & Finance Officers Association (MMCTFOA)

SUPPORT ✓ OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

The current due date of 60 days is not sufficient amount of time for most clerks & finance officers to complete the financial report on a timely basis.

most of us do not get the books closed until the end of July and also at the same time we are working on next years budget and public hearing. when the final budget is adopted, a budget document has to be completed and sent to DOC by Sept. 15th takes approx. 20-25 MH to complete this document.

The financial report is a lengthy complex report which takes approx 40-50 MH to complete.

Statistics show that 61% of the cities & Towns complete their report within a 120 day period and only 13% get it completed within 60 days.

CS-34

WITNESS STATEMENT

NAME Joe Aldegarie BILL NO. 280

ADDRESS 201 W. Spruce, Missoula DATE 1/26/87

WHOM DO YOU REPRESENT? City of Missoula

SUPPORT ✓ OPPOSE _____ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

VISITORS' REGISTER

LOCAL GOVERNMENT COMMITTEE

BILL NO. HB 280 DATE January 26, 1987

SPONSOR

NAME (please print)	REPRESENTING	SUPPORT	OPPOSE
Joe Aldegarie	City of Missoula	✓	
Don Hackmann	City of Laurel	✓	
Alyce Kuechler	Shelby	✓	
Brooke Morin	City of Helena	✓	
Jo C. Dworsky	Rep #24	✓	
Frank DiFranzo	Sidney		

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

CS-33

MINUTES OF THE MEETING
LOCAL GOVERNMENT COMMITTEE
MONTANA STATE SENATE

February 10, 1987

The tenth meeting of the Local Government Committee was called to order at 1:00 p.m. on February 10, 1987 by Chairman Bruce D. Crippen in Room 405 of the Capitol.

ROLL CALL: All members were present.

CONSIDERATION OF HOUSE BILL NO. 280: Rep. Marian Hanson, Ashland, representing District 100, said the bill increased the time allowed for a city or town to file a financial statement with the Department of Commerce. The time was increased from 60 to 120 days.

PROPONENTS:

Janet Jessup, representing the city of Helena, said that current law doesn't give enough time for the cities to complete a financial statement. The volume of information has increased tremendously and the fact is that most cities do not meet the 60 day deadline, she said.

Chuck Stearns, city of Missoula finance office, representing the City of Missoula, said he would support the 120 day deadline.

OPPONENTS: There were no opponents.

QUESTIONS FROM THE COMMITTEE:

Sen. Beck asked about the number of days specified in the bill. Rep. Hanson said it was originally written to be 180 but the department of commerce wasn't happy with that so a compromise was made and the bill now reads 120 days.

ACTION ON HOUSE BILL 280: Sen. Story moved that HB 280 BE CONCURRED IN. The bill was seconded and CARRIED UNANIMOUSLY. Sen. Harding was assigned to carry the bill in the Senate.

CONSIDERATION OF HOUSE BILL NO. 311: Rep. Mike Kadas of Missoula, representing District 55, sponsored the bill, he said, to modify the existing special improvement lighting districts. Currently, to make a major change in street lighting districts, the entire district has to be dissolved with a 75% petition and an entirely new district formed. This will provide that upon a 10% petition or a resolution of the city, the city council will be notified, notices will be sent to all residents and notices will appear in the paper for five days. It would take a 51% protest to stop the

ROLL CALL

SENATE LOCAL GOVERNMENT COMMITTEE

50th LEGISLATIVE SESSION -- 1987 Date Feb. 10, 1987

NAME	PRESENT	ABSENT	EXCUSED
BRUCE CRIPPEN	X		
R. J. PINSONEAULT	X		
TOM BECK	X		
DOROTHY ECK	X		
H. "SWEDE" HAMMOND	X		
ETHEL HARDING	X		
LES HIRSCH	X		
PETER STORY	X		
ELEANOR VAUGHN	X		
MIKE WALKER	X		

Each day attach to minutes.

DATE 2-10-87

COMMITTEE ON Local Government

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One: Support	Oppose
RICK GRAETZ	MONTANA MAGAZINE	259	X	
KEW DUNHAM	ASSOC. PRINTERS	259	X	
Ellen Feaver	Dept of Ads	259	X	
JANET JESSUP	City of Helena	280 311	V	
D.B. Tooley	Dept of Justice	259	—	
Sheila Cates	State Library			
Marilyn Irvin	Mont Power Co.	259	—	
Gordon Morris	MACo	SB282	✓	
Leo Berry	Ass & Mt Ref B. Co.	SB359	✓	amend
Greg Jackson	MT Clk+Recorders Assn	SB282	✓	
Stuart Doggett	MT Chamber of Commerce	SB259	✓	
Chuck Stearns	City of Missoula	HB311 HR280	✓	

(Please leave prepared statement with Secretary)

STANDING COMMITTEE REPORT

February 10 19 87

MR. PRESIDENT

We, your committee on Local Government

having had under consideration House Bill No. 280

Third reading copy (blue)
color

Hanson (Harding)

INCREASING THE TIME ALLOWED FOR A CITY OR TOWN TO FILE A FINANCIAL STATEMENT

Respectfully report as follows: That House Bill No. 280

BE CONCURRED IN

~~BE AMENDED~~

~~BE AMENDED AND~~

SENATOR BRUCE D. CRIPPEN Chairman.